

## **Terms and Conditions**

### **Maryland Residential Clean Energy Grant Program**

#### **As of July 1, 2012**

Terms and Conditions are subject to change at any time by the Maryland Energy Administration (MEA). Please browse <http://energy.maryland.gov/Residential/cleanenergygrants/index.html> for full details.

### **Eligible Projects and Properties**

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General terms and conditions pertaining to project and property eligibility for the Residential Clean Energy Grant Program (CEGP) include:

- Technologies, capacities, and incentive levels are applicable as posted at <http://energy.maryland.gov/Residential/cleanenergygrants/index.html>
- Residential Clean Energy Grants are provided only after installation of the system is complete and approved by MEA.
- ***The property must be a primary Maryland residence (domicile) to be eligible.***
- Multiple projects on contiguous parcels of property will be considered one project.
- A property may not receive more than one grant per technology per fiscal year
- MEA cannot offer grants to a property held in a trust.
- ***Applications have to be submitted to MEA within 12 months of the start of operation*** of the qualified clean energy system to give MEA the ability to re-assign Residential CEGP funds from stagnant to current projects.

**PV systems** must be installed and operated in compliance with the requirements of the local codes and, by July 1, 2014, national safety certification systems:

- PV system hardware must be in compliance with all applicable performance and safety standards including: *Underwriters Laboratories (UL) 1741, Standard for Static Inverters and Charge Controllers for Use in Photovoltaic Systems and UL 1703, Standard for Safety: Flat-Plate Photovoltaic Modules and Panels*
- PV systems must be in compliance with the Maryland Net Energy Metering law and the requirements of the local electric utility
- PV system must be installed in compliance with *Institute of Electrical and Electronics Engineers (IEEE) Standard 929-2000, Recommended Practice for Utility Interface of Photovoltaic Systems* and with applicable requirements of local electrical codes and the National Electrical Code (NEC).
- PV systems that are installed on or after ***July 1, 2014***, have to be completed by installation contractors who maintain at least one staff member with a North American Board of Certified Energy Practitioners ("NABCEP") Installation Certification; or, for companies with at least 50 employees, at least one staff member with a NABCEP Installation Certification for every 25 non-administrative employees, except if an installation contractor has been registered to do business in Maryland for less than 12 months prior to the submission of an application for a grant.

**Solar Water Heating** systems, hardware, and installation must be in compliance with:

- The requirements of the local codes
- The Solar Rating and Certification Corporation's OG-100 Certification

**Geothermal Heating & Cooling** systems must meet ENERGY STAR standards:

[http://www.energystar.gov/index.cfm?c=geo\\_heat.pr\\_crit\\_geo\\_heat\\_pumps](http://www.energystar.gov/index.cfm?c=geo_heat.pr_crit_geo_heat_pumps)

**Clean Burning Wood and Pellet Stoves** must meet EPA and emission regulations:

- For Wood Burning Stoves:  
<http://www.epa.gov/oecaerth/resources/publications/monitoring/caa/woodstoves/certifiedwood.pdf>
- For Pellet Burning Stoves:  
[www.ecy.wa.gov/programs/air/indoor\\_woodsmoke/pelletstoves.xls](http://www.ecy.wa.gov/programs/air/indoor_woodsmoke/pelletstoves.xls)

## Maryland Historical Trust Review

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Maryland Energy Administration (MEA) is required to assess the impact of Clean Energy Grants on historic resources; *Applicants are encouraged to “pre-screen” their projects* to reduce the odds of applications being rejected on historic preservation grounds. If the property is less than 45 years old and is NOT recorded in the Maryland Inventory of Historic Properties (MIHP) the project is exempt from historic preservation review. Applicants can:

- Browse the Department of Assessments website @ [http://sdatcert3.resiusa.org/rp\\_rewrite/](http://sdatcert3.resiusa.org/rp_rewrite/) to find the age of their property.
- Browse the Department of Natural Resources *Maryland's Environmental Resources and Land Information Network*, or *MERLIN Online*, @ <http://www.mdmerlin.net/mapper.html> to see if a property is recorded in the MIHP.
- Contact MEA's historic preservation specialist via email at [historic@energy.state.md.us](mailto:historic@energy.state.md.us)

## Application Process

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The latest version of application can be found on our website at:

<http://energy.maryland.gov/Residential/cleanenergygrants/index.html>

Properly review all forms and documentation for completeness prior to submitting a grant application to the Maryland Energy Administration. The one-step application process can start after your project is installed and will require 4 sets of documents:

- *Application Form* for either leased or non-leased (purchased) systems
- Proof that the project is paid for in full with a copy of a zero-balance, final invoice
- Copies of all issued inspection documents, permit documents, etc. as provided by the local authority having jurisdiction
- A photograph of the installed clean energy system. If the system is a roof-mounted PV or SWH system, the photograph must clearly demonstrate where the system has been installed, with all panels or collectors clearly visible.

Upon MEA's receipt of the completed *Application Form* and verification that the project meets the *Terms and Conditions* of the offer, the Grant to the Applicant will be processed for payment.

## Use of Personal Information

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In accordance with Section 10-624(c) of the State Government Article of the Annotated Code of Maryland, MEA is required to advise Applicants of the following:

- The information being requested by the Application is necessary to document the completion of the project and to ensure installation of a qualifying system.
- Failure to provide all required information terminates any further obligation to you.
- Upon submission for payment, some of this information will be provided to other agencies of the State to process the payment of the grant.

- Unless otherwise provided by law or court order, portions of the information may be subject to disclosure upon request for inspection under Maryland's Public Information Act as set forth in Sections 10-611 *et seq.* of the State Government Article. To the extent permitted by law, personal information will not be disclosed except for the purpose of processing your grant application.

## **Tax Status of Clean Energy Grants**

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The Maryland Office of the Comptroller has determined that, based on IRS rules, a ***state grant is considered taxable income on the Federal level.*** Therefore, a Form 1099-G will be issued for grants received through the Clean Energy Grant Program and grants should be reported as income on federal tax returns.

However, ***State grants for solar energy projects are not treated as taxable income by the State.*** The grant amount is subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income. For more information on the State legislation, please read information from State Taxes - Solar Energy Grants and Devices located at [http://mlis.state.md.us/2007RS/chapters\\_noln/Ch\\_615\\_hb0590T.pdf](http://mlis.state.md.us/2007RS/chapters_noln/Ch_615_hb0590T.pdf).

## **Renewable Energy Credits**

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### ***Solar***

Electricity suppliers must purchase and retire Solar Renewable Energy Credits (SRECs—equal to 1 MWh) in order to meet their Renewable Portfolio Standard (RPS) compliance obligations under the law, or pay a Solar Alternative Compliance Payment (SACP) for any shortfalls in SREC purchases.

To help Maryland business owners realize the benefits of solar energy, Maryland manages the SRECs program. Owners of solar PV and hot water systems can earn and sell SRECs based on the amount of energy their solar system produces on the open market.

In order to begin producing SRECs for the Maryland RPS, a solar generator must apply for certification as a qualifying generator from the Maryland Public Service Commission (PSC). Beginning in 2012, to be eligible for use for Maryland RPS compliance, SRECs must come from qualifying solar facilities connected to the distribution grid serving Maryland.

- The [SRECs FAQ document](#) provides additional details about how to register systems and sell SRECs.
- The [PJM-GATS Public Reports](#) web site contains a variety useful data, including monthly weighted average SREC trading prices for Maryland and other states.

### ***Geothermal Heating & Cooling***

With 2012 HB 1186, Maryland became the first state in the country to make the energy generated by Geothermal Heating & Cooling (GHC) technologies eligible for the RPS as a Tier 1 renewable source. To qualify, the GHC technologies must meet ENERGY STAR standards and displace electric or non-natural gas heating, and/or old and presumed inefficient air conditioning. Home owners will be eligible to receive Renewable Energy Credits (RECs) for GHC systems that are commissioned on or after January 1, 2013.

## Learn More

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To learn more about incentives, clean energy, and responsible contractors, please see the below websites.

- The [Database of State Incentives for Renewable & Efficiency \(DSIRE\)](#) offers a comprehensive list of Federal, State, and Local incentives for renewable energy and energy efficiency measures.
- The [U.S. Department of Energy](#)'s Energy Efficiency and Renewable Energy Division provide a wealth of resources about clean energy including [Energy Savers: Your Workplace](#).
- Visit the [Better Business Bureau website](#) to check out a contractor, find a BBB-accredited contractor, or file a complaint about your experience.
  - [Better Business Bureau for consumers](#)
  - [Better Business Bureau for businesses](#)